



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

June 18, 2008

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Second District

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To: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
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From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Budget Conference Committee

The Budget Conference Committee continued its first pass through the 439-page Budget Conference Committee book. By mid-day, the Conferees had reached page 416. All items of County interest were left open for further deliberation. According to newspaper accounts, the Big 5 met yesterday for an hour without any progress. Senator Perata was quoted as saying, "Everybody doesn't like something, and some people don't like anything." The Budget Conference Committee is scheduled to continue its meetings through the rest of the week.

Pursuit of County Position on State Budget Issue

The Health Care Workforce Development Program (HCWDP) is a \$40 million State/County funded labor-management program to provide work force training for employees of the Department of Health Services. It was established as one element of the 2001 Section 1115 Waiver health department restructuring agreement. The agreement mandated a two to one funding match for HCWDP between the State and the County. By the end of FY 2005-06 the County had provided its one-third share and the State included its final two-thirds match in the FY 2007-08 State Budget.

During the June 2008 County Budget deliberations, your Board adopted an extension of the HCWDP, which included County funding for the program for FY 2008-09 to ensure

stabilization and transformation of the health care workforce. HCWDP funding will be used to expand current career path programs and coaching and tutoring services. Funds will also be used to continue nursing, psychiatric technician, and medical record coder training programs. In addition, programs will be developed to enhance the skills of County radiology technicians to be able to operate magnetic resonance imaging machines at the new LAC+USC Replacement Hospital, and improve services for homeless and disabled patients.

Consistent with the Board's recent action during Budget deliberations, the County's 1115 Waiver agreement, and existing policy to support enhanced funding for workforce development, **our Sacramento advocates will seek inclusion of funding in the State Budget for the Health Care Work Force Development Program.**

Pursuit of County Position on Legislation

AB 730 (De León), as amended on January 24, 2008, would prohibit a vendor that is found liable by the court for a breach of an information technology (IT) contract, awarded by a State or local government, from bidding or entering into a new contract for the provision of IT goods and services for a period of five years. AB 730 only applies if the judgment is in excess of \$250,000 and the contract amount is in excess of one million dollars. Additionally, this bill would authorize a public entity to require a prospective bidder to certify that their organization is not prohibited from bidding on that contract.

The Internal Services Department (ISD) indicates that the County has an existing ordinance that covers a broader range of contracts than AB 730 proposes to address. The County's debarment ordinance applies to all County contracts, regardless of value, while AB 730 would apply only to IT contracts in excess of one million dollars with final judgments of a breach of contract in excess of \$250,000. In addition, the County has established a formal administrative process for determining whether a contractor should be debarred and the term of such debarment. A debarment panel makes a recommendation to your Board and your decision ultimately determines the outcome. AB 730 mandates debarment only if a dispute goes to court and the penalty imposed upon the contractor is set at five years. If enacted, AB 730 would supersede the contractor debarment provision in the County Code, and thereby remove the Board's authority and discretion over contractor debarment.

ISD also indicates that the most effective leverage over contractor performance is through the contract itself, with a comprehensive contract administration plan. Additionally, the County requires that all IT contracts over \$5 million are to be reviewed by expert outside counsel prior to your Board's approval. In addition, under AB 730, if

the County had a contract with a sole source vendor and that vendor was later adjudged in another jurisdiction to be in breach of warranty, it would appear that the contractor would not be able to continue work on the County's project. Furthermore, in a true sole source context (such as proprietary software coding), AB 730 may be problematic because a relatively minor warranty dispute in another jurisdiction could cause the disqualification of a sole source vendor on a multi-million dollar County project.

AB 730 would restrict local governments from exercising discretion within the context of their own particular needs and procurements. As such, ISD and this office recommend that the County oppose AB 730 unless amended to indicate that this proposal would not preempt local agency debarment ordinances and that the provisions of this bill would not apply to a county of the first class as defined by the Government Code. Opposition to AB 730 is consistent with Board policy to minimize the adverse impact of State actions on the County and to oppose measures that infringe upon local control. **Therefore, our Sacramento advocates will oppose AB 730 unless amended as indicated above.**

AB 730 is supported by several organizations including the California Teachers Association and the Service Employees International Union. The bill is opposed by the Information Technology Association of America. AB 730 is scheduled for a hearing in the Senate Judiciary Committee on June 24, 2008.

SB 1629 (Steinberg), as amended on June 12, 2008, would establish the Early Learning Quality Improvement System Commission to develop a plan to improve the quality of state-funded preschool programs, including a graduated funding model that identifies resources to achieve and maintain higher quality.

The Commission would consist of 22 members and be chaired by the Superintendent of Public Instruction or designee. The other members would include:

- The Secretary of Education or designee;
- The President pro Tempore of the Senate or designee;
- The Speaker of the Assembly or designee;
- The Chairperson of the California Children and Families Commission or designee;
- President of the University of California or designee;
- The Chancellor of the California State University or designee;
- The Chancellor of the Community College System or designee;
- The Chairperson of the California Commission on Teacher Credentialing or designee;
- The Director of the California Department of Social Services or designee;

- Four appointees of the Governor including at least one appointee who is a preschool teacher employed by a private licensed child care provider, a program administrator of a State-funded child development program employed by a local education agency, and an infant-toddler caregiver;
- The Speaker of the Assembly shall appoint an early care and education teacher employed by a local education agency;
- The Senate Committee on Rules shall appoint a child development program administrator employed by a private agency funded by the State; and
- The Speaker of the Assembly and the Senate Committee on Rules shall each appoint one representative from each of the following: public schools that provide instruction in kindergarten and grades 1 through 12, experts in the needs of English learners, and parents or guardians of children enrolled in State-funded early care and education programs.

The Commission would be required to develop the policy and an implementation plan for the Early Quality Improvement System and to submit a report with recommendations to the Legislature and the Governor by December 31, 2009. The report shall address, but not be limited to the following areas:

- An assessment and analysis of existing early care and education infrastructure including an identification of the strengths, gaps and barriers to achieving higher quality early learning programs;
- The development of an early learning quality rating scale for child development and care programs, including programs for children from birth to five years of age; and
- The development of a graduated funding model aligned with a quality rating scale that provides the necessary resources for programs to achieve higher quality levels and that supports continuous program quality improvement.

The Commission would be established only after the Superintendent of Public Instruction applies to and obtains funds from the California Children and Families Commission. No State General Funds or county funds would be used to fund the work of the Commission. The Early Learning Quality Improvement System may be phased in at the discretion of the Legislature as Federal, State and local funds are made available. Enactment of SB 1629 is contingent on passage and enactment of AB 2759 (Jones) which would streamline and consolidate State preschool and child development programs.

SB 1629 could result in the development of high-quality child development programs that address the needs of young children from birth to five years of age. Such a result aligns with the goals of the Board-approved Steps to Excellence Project which is

designed to provide parents with information on selecting child care services and to compensate child care and development providers based on the quality of service.

The Policy Roundtable for Child Care and this office support SB 1629. The Departments of Children and Family Services and Public Social Services have no position on SB 1629 because the bill would not directly impact the child care programs administered by these Departments. Support of SB 1629 is consistent with existing Board policy to support efforts to develop and implement a master plan for quality, early care and education that sets high standards for all such services, and addresses the needs of all children from birth through age 12, and to support proposals that improve child care quality that link reimbursement for subsidized child care to quality of care. **Therefore, our Sacramento advocates will support SB 1629.**

SB 1629 is sponsored by the California Child Development Administrators Association, Children Now, Preschool California, and the Superintendent of Public Instruction. The bill is supported by numerous organizations and agencies including the Los Angeles County Office of Education, Alameda County Office of Education, California Head Start Association, California School Boards Association, California State PTA, California Teachers Association, First 5 California, and the Los Angeles Area Chamber of Commerce. There is no registered opposition on file. SB 1629 passed the Senate on May 22, 2008 by a vote of 26 to 11. The bill is scheduled for a hearing in the Assembly Education Committee on June 18, 2008.

Status of County-Sponsored Legislation

County-sponsored AB 1903 (Hernandez), as amended on June 17, 2008, which would provide liability protection for the Department of Public Works in their lined and unlined channels and adjacent spreading grounds during flood control and water conservation operations, passed the Senate Judiciary Committee on June 16, 2008, as amended, by a vote of 5 to 0, and now proceeds to the Senate Appropriations Committee. The June 17, 2008 amendments specify that with respect to the provision of providing liability protection, nothing in the bill exonerates a public agency or public employee from liability for injury caused by a dangerous condition of public property if all of the following occur: 1) the person injured was 16 years or younger; 2) the dangerous conditions created a substantial and unreasonable risk of death or serious bodily harm to children 16 years of age or younger; 3) the person injured did not discover the condition or did not appreciate its dangerous character because of his or her immaturity; and 4) the public entity or public employee had actual knowledge of the condition and knew or should have known of its dangerous character a sufficient time prior to the injury to have taken measures to protect against the condition. This bill has an urgency clause and would become effective immediately upon signature by the Governor.

Status of County-Advocacy Legislation

County-supported AB 2270 (Laird), as amended on June 12, 2008, which would require the State Department of Water Resources (DWR) to update the targets for utilizing recycled water Statewide every five years, reduce the frequency of reporting recycled water use by agencies from quarterly to annually, and authorize any local agency that maintains a community sewer system to take action to control residential salinity introduced into the waste water system, passed the Senate Environmental Quality Committee on June 16, 2008 by a vote of 5 to 2, and now proceeds to the Senate Natural Resources and Water Committee.

We will continue to keep you advised.

WTF:GK:MAL
DD:IGA:mp

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants